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5 *Attorneys for Lenard E. Schwartzter*

6 **UNITED STATES BANKRUPTCY COURT**

7 **DISTRICT OF NEVADA**

8 In re:

9 MEDIZONE INTERNATIONAL, INC.,

10 Debtor.

Case No. BK-S-18-12662-LEB

Chapter 7

11 **NOTICE OF ENTRY OF ORDER
GRANTING MOTION FOR APPROVAL
OF BID PROCEDURES AND TO
APPROVE SALE OF ESTATE PROPERTY
FREE AND CLEAR OF ANY INTEREST**

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13
14 NOTICE IS HEREBY GIVEN that an *Order Granting Motion For Approval Of Bid*
15 *Procedures And To Approve Sale Of Estate Property Free And Clear Of Any Interest* [Dkt. #81]
16 was entered on July 26, 2018, a copy of which is attached hereto.

17 Dated this 30th day of July, 2018.

18 /s/ Jason A. Imes
19

20 Jason A. Imes, Esq.
Schwartz & McPherson Law Firm
2850 S. Jones, Blvd., Suite 1
21 Las Vegas, NV 89146

22 *Attorneys for Lenard E. Schwartzter, Ch. 7 Trustee*

CERTIFICATE OF SERVICE

1. I caused to be served the following documents:

a. Notice Of Entry Of Order Granting Motion For Approval Of Bid Procedures And To Approve Sale Of Estate Property Free And Clear Of Any Interest.

2. I served the above-named document(s) by the following means to the persons as listed below:

■ a. **By ECF System (on 07/30/2018):**

JASON A. IMES on behalf of Trustee LENARD E. SCHWARTZER

bkfilings@s-mlaw.com

MERLE C. MEYERS on behalf of Creditor EDWIN G. MARSHALL

mmeyers@meyerslawgroup.com

MERLE C. MEYERS on behalf of Creditor JILL C. MARSHALL

mmeyers@meyerslawgroup.com

COURTNEY MILLER O'MARA on behalf of Creditor EDWIN G. MARSHALL

comara@fclaw.com, mbyrd@fclaw.com

COURTNEY MILLER O'MARA on behalf of Creditor JILL C. MARSHALL

comara@fclaw.com, mbyrd@fclaw.com

LENARD E. SCHWARTZER

trustee@s-mlaw.com, lbenson@s-mlaw.com, nv17@ecfcbis.com, les@trusteesolutions.net

U.S. TRUSTEE - LV - 7

USTPRegion17.LV. ECF@usdoj.gov

MATTHEW C. ZIRZOW on behalf of Debtor MEDIZONE INTERNATIONAL, INC.

mzirzow@lzklegal.com.

carey@lzklegal.com; mary@lzklegal.com; trish@lzklegal.com; receipt@lzklegal.com

b. By United States mail, postage fully prepaid on:

c. By Personal Service

I personally delivered the document(s) to the persons at these addresses:

1 For a party represented by an attorney, delivery was made by handing the
2 document(s) to the attorney or by leaving the document(s) at the attorney's office with a clerk or
3 other person in charge, or if no one is in charge by leaving the document(s) in a conspicuous place
4 in the office.

5 For a party, delivery was made by handing the document(s) to the party or by leaving the
6 document(s) at the person's dwelling house or usual place of abode with someone of suitable age
7 and discretion residing there.

8 d. **By direct email (as opposed to through the ECF System)**

9 Based upon the written agreement to accept service by email or a court order, I caused the
10 document(s) to be sent to the persons at the email addresses listed below. I did not receive, within
11 a reasonable time after the transmission, any electronic message or other indication that the
12 transmission was unsuccessful.

13 e. **By fax transmission**

14 Based upon the written agreement of the parties to accept service by fax transmission or a
15 court order, I faxed the document(s) to the persons at the fax numbers listed below. No error was
16 reported by the fax machine that I used. A copy of the record of the fax transmission is attached.

17 f. **By messenger**

18 I served the document(s) by placing them in an envelope or package addressed to the
19 persons at the addresses listed below and providing them to a messenger for service.

20 **I declare under penalty of perjury that the foregoing is true and correct.**

21 Signed on: July 30, 2018

22 Taylor Jorgensen
23 (Name of Declarant)

24 /s/ Taylor Jorgensen
25 (Signature of Declarant)

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Laurel E. Babero

Honorable Laurel E. Babero
United States Bankruptcy Judge



Entered on Docket
July 26, 2018

6 Jason A. Imes, Esq., NV Bar No. 7030
7 Schwartzzer & McPherson Law Firm
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10 Attorneys for Lenard E. Schwartzzer, Trustee

11 UNITED STATES BANKRUPTCY COURT

12 DISTRICT OF NEVADA

13 In re:

14 MEDIZONE INTERNATIONAL, INC.,

15 Debtor.

Case No. BK-S-18-12662-LEB

Chapter 7

16 **ORDER GRANTING**
17 **MOTION FOR APPROVAL OF**
18 **BID PROCEDURES AND TO APPROVE**
SALE OF ESTATE PROPERTY
FREE AND CLEAR OF ANY INTEREST

19 Hearing Date: July 24, 2018

Hearing Time: 2:30 p.m.

20
21 The Trustee's Motion For Approval of Bid Procedures and to Approve Sale of Estate
22 Property Free and Clear of Any Interest (the "Motion") [ECF No. 60] having come before this
23 Court on the 24th day of July, 2018, pursuant to an Order Shortening Time [ECF No. 65]; Lenard
24 E. Schwartzzer, Chapter 7 Trustee (the "Trustee") appearing by and through his counsel, Jason A.
25 Imes., Esq., of the Schwartzzer & McPherson Law Firm, and other parties appearing as noted on
26 the record; the Court finding that notice has been given to all creditors and parties in interest as
27 required by law, there being no opposition, the Court having jurisdiction to consider the Motion
28 and requested relief in accordance with 28 U.S.C. §§157 and 1334, and this being a core

1 proceeding pursuant to 28 U.S.C. §157(b); the Court have determined that the Bidding Procedures
2 as set forth in the Motion are fair, reasonable and appropriate, reflect the Trustee's exercise of
3 prudent business judgment consistent with his fiduciary duties, and designed to maximize the
4 value to be obtained by the bankruptcy estate for the assets; the Court having made its findings of
5 fact and conclusions of law upon the record which are incorporated herein pursuant to Federal
6 Rules of Bankruptcy Procedure 9014(c) and 7052, and for good cause appearing,

7 **IT IS HEREBY ORDERED** that the Trustee's Motion is GRANTED; and

8 **IT IS FURTHER ORDERED** that the Sale Agreement (as that term is defined in the
9 Trustee's Motion) is hereby approved pursuant to Sections 363(b) and (f) of the Bankruptcy Code,
10 and the Trustee is hereby authorized to take all necessary steps to complete and close the sale
11 contemplated therein, and to transfer the Assets (as that term is defined in the Sale Agreement) to
12 Edwin G. Marshall and Jill C. Marshall, N.M.D., or their nominees ("Marshall" or the "Buyer"),
13 free and clear of all liens, encumbrances, interests and claims, in accordance with the terms of the
14 Sale Agreement, subject to any qualified and accepted overbids made in a manner consistent with
15 the BID PROCEDURES approved herein; and

16 **IT IS FURTHER ORDERED** that the following BID PROCEDURES are approved for
17 the proposed sale of substantially all of the Debtor's assets as detailed in the Motion:

- 18 a. Any overbid must incorporate all other terms of the Sale Agreement (except as to
19 purchase price), including without limitation the absence of any financing or due
20 diligence contingency;
- 21 b. Any overbid must be accompanied by a good-faith cash deposit in an amount no
22 less than \$100,000.00, delivered to the Trustee by certified funds no less than three
23 (3) business days prior to the auction; and
- 24 c. Any overbid must offer a cash purchase price that is at least \$575,000.00, and is at
25 least \$35,000 greater than any preceding overbid accepted by Trustee; and
- 26 d. The Marshalls have the right to match any overbid accepted by the Trustee as to
27 purchase price, upon the same terms as the Sale Agreement in all other respects, in
28 which event the Marshalls shall become the accepted bidder, subject to further

- 1 overbids; and
- 2 e. In the event that the Assets are sold to a purchaser other than the Marshalls, the
3 Trustee shall pay the Marshalls a breakup fee in the amount of \$35,000.00, at the
4 close of such sale from the sales proceeds; and
- 5 f. In the event any party intends to overbid, the Trustee proposes that said auction be
6 conducted in open court and under the supervision of the Bankruptcy Court, and
7 that the second highest bidder, if consenting, be designated as the backup bidder.

8 **IT IS FURTHER ORDERED** that a SALE HEARING shall be held before this Court on
9 **August 7, 2018, at 2:30 p.m.**, for the purpose of conducting the proposed auction in open court
10 and under the supervision of the Bankruptcy Court, to confirm the results of said auction, for final
11 approval of the sale free and clear of all liens, encumbrances, interests and claims, to determine if
12 the sale has been conducted in good faith for purposes of 11 U.S.C. §363(m), and to consider
13 waiving any stay of the order pursuant to Fed.R.Bankr.P. 6004.

14 **IT IS SO ORDERED.**

15 Submitted by:

16  **APPROVED** / DISAPPROVED

17 /s/ Jason A. Imes., Esq.,
18 Jason A. Imes, Esq.
19 SCHWARTZER & MCPHERSON LAW FIRM
20 2850 South Jones Blvd., Suite 1
21 Las Vegas NV 89146
22 *Attorneys for Lenard E. Schwartzer, Trustee*

23 /s/ Merle C. Meyers, Esq.,
24 Merle C. Meyers, Esq.
25 MEYERS LAW GROUP, P.C.
26 44 Montgomery Street, Suite 1010
27 San Francisco, CA 94104
28 *Attorneys for Edwin Marshall and Jill Marshall*

LR 9021 CERTIFICATION

In accordance with LR 9021, counsel submitting this document certifies that the order accurately reflects the court's ruling and that (check one):

- The court waived the requirement of approval under LR 9021(b)(1).
 - No party appeared at the hearing or filed an objection to the motion.
 - I have delivered a copy of this proposed order to all counsel who appeared at the hearing, and any unrepresented parties who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below:

MERLE C. MEYERS, ESQ.: APPROVED

- I certify that this is a case under Chapter 7 or 13, that I have served a copy of this order with the motion pursuant to LR 9014(g), and that no party has objection to the form or content of the order.

/s/ Jason A. Imes., Esq.,
Jason A. Imes, Esq.
SCHWARTZER & MCPHERSON LAW FIRM

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